Commonwealth of Kentucky Public Protection Cabinet

For Immediate Release

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GEORGETOWN MAN CHARGED WITH INSURANCE FRAUD Listed ex-wife on health insurance, insurer paid \$169,000 in claims

FRANKFORT, Ky. (July 31, 2008) – A Georgetown man has been charged with one felony count of insurance fraud after providing false information to Bluegrass Family Health Inc.

Darrell E. Gibson Jr. and his wife, Veronica, were divorced in December 2003. In December 2004, he allegedly listed her as his spouse on an application for health insurance obtained through his business. Veronica Gibson remained on the policy until June 2007. During that time, Bluegrass Family Health paid more than \$169,000 in benefits for her health care.

The case was investigated by the Kentucky Department of Insurance (DOI) Fraud Investigation Division.

"The company paid a significant amount in health care benefits for someone who was not eligible for coverage," said Sharon P. Clark, DOI commissioner. "Our Fraud division actively pursues cases like this one because we all pay when insurance fraud is committed."

The preliminary hearing in Scott District Court will be Aug. 7. If found guilty, Darrell Gibson faces a prison term of one to five years, a fine of up to \$10,000, or both imprisonment and a fine.

The Department of Insurance is an agency of the Public Protection Cabinet.